

ITS Strategic Roadmap – FY20 Planning

Financial Support

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Background

ITS supports departments and agencies of the Metro Government in their IT needs via management of a \$25 million operating budget and \$96.4 million capital budget for fiscal year 2018.

All divisions of ITS are part of the ITS Special Fund (51137). A Special Fund is a designation from Metro Finance. For ITS, this means that services provided to departmental customers go through a cost accounting process to determine a price per service unit. Each department is billed according to their planned use until all costs are allocated. These billings are known as *internal service fees*.

ITS management has chosen to use the internal service fee model to allocate costs because it provides a fair and logical mechanism by which departments can understand their utilization of IT services and operate accordingly. The downside of the internal service fee model is added complexity compared to a general fund model and thus the need for education to soothe misunderstanding of the billing model itself and service fees generated.

The billing function is directed and managed for ITS by the Employee and Account Care (EAC) division. In addition to technical services, the ITS department supports the departments and agencies of the Metro Government through IT procurement for projects and ongoing activities. These activities are coordinated by EAC. Per Metro Ord. 93-687 § 3, 1993, *ITS shall review all proposed computer related purchases and advise the purchasing agent or the requesting department whether the proposed purchase is appropriate for the need.*

Financial services include:

- Development and management of operating and capital budgets
- Development, preparation and communication for all internal service fee billing for departments
- Ongoing support for billing questions and concerns
- Coordination of all departmental procurements, including those that ITS staff incur during the course of projects for customers
- Acting as departmental liaison with Metro Finance department – specifically divisions of budgeting, procurement, and accounts and the fiscal divisions of other departments
- Performance of all fiscal transactions for the department
- Development of fiscal procedures and policies for department that comply with the established policies and procedures of Metro and the Metro Department of Finance

Stakeholders for financial services include customer departments and agencies, Metro Finance divisions of budgeting, procurement, and accounts, vendors and suppliers, and ITS employees and management.



Current Strategic Drivers

1. **Shift to Cloud Operating Costs** (Game-changing) – Historically major systems required initial implementation through on-premise servers and services, thus costs were booked as capital expenditures. Under cloud models, subscriptions are operating costs, which are subject to operational fluctuations.
2. **Regulatory Compliance** (High) – Financial activities are governed by laws, regulation, and policy at the Federal, state and local levels, as well as established departmental policy.
3. **Customer Demand: Internal Service Fee Clarity** (High) – Customers (both internal and external) want to understand how ITS charges back for services in a clear and concise manner.
4. **New Technology: New Enterprise Resource Planning – R12 System** (Medium) – Finance and ITS have initiated a project to replace the JDEdwards (EBS) accounting system. This will significantly change accounting processes, while bringing many benefits to departments.

On the Horizon Strategic Drivers

1. **Administration Change:** (High) – An election for Metro Government in the fall of 2019 has the potential to replace our current mayor, vice mayor and members of the Metro Council. With this election comes the potential to disrupt the planned direction of systems, funding and personnel related to prior administrations.

Short Term Goals (0-6 months) 7/1/19 – 12/31/19

#	Goal/Objective	Est. Start	Est. Duration
1	Insertion of PowerBI into all aspects of the financial billing and reporting performed	07/19	Ongoing
2	Annual renewal and true up process for the Metro Enterprise Agreement with Microsoft	08/19	5 months
3	Develop charge back methodology for cloud services and incorporate with ITS rate model	07/19	Ongoing

Medium Term Goals (6-18 months) 1/1/20 – 12/31/20

#	Goal/Objective	Est. Start	Est. Duration
1	Investigation of possible new chargeback model tool	01/20	12 months
2	Annual renewal and true up process for the Metro Enterprise Agreement with Microsoft	07/20	6 months

Long Term Goals (18-36 months) 1/1/21 – 6/30/22

#	Goal/Objective	Est. Start	Est. Duration
1	Assist with the implementation of the new Helpdesk and Ticketing system (as pertains to process changes with equipment procurement, cellular service requests, etc.)	01/21	18 months
2	Preparation for the update of the Microsoft Enterprise Agreement	07/21	6 months



Related Roadmaps

- HR

Related Resources

- Billing site on Inside Metro http://im/servicecat/rates_overview.asp

